



A PHI Company

Pamela J. Scott
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May 29, 2015

VIA DELAFILE

Donna Nickerson
Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, DE 19904

Re: Application of Delmarva Power & Light Company to
Establish the Utility Facility Relocation Charge
("UFRC") Rate to Recover Costs Associated with
the Relocation of Gas Utility Facilities

Dear Ms. Dickerson:

Delmarva Power & Light Company ("Delmarva" or "Company") submits the enclosed Application to establish the Utility Facility Relocation Charge ("UFRC") rate for recovery of capital improvement costs associated with gas facility relocations due to projects by the Delaware Department of Transportation or other governmental agencies pursuant to the provisions of 26 *Del. C.* §315 and corresponding regulations found at 26 *Del. Admin. C.* 1009. Also included with this Application is the Application Fee of \$100.00

Thank you for your attention. Should you have any questions or require any additional information, please do not hesitate to contact me at 302-429-3143 or Marlene Santacecilia at 302 454-4591.

Very truly yours,


Pamela J. Scott

Enclosures

cc: David Bonar (w/enclosures)
Regina Iorii, Esquire (w/enclosures)
Heather Hall (w/enclosures)
Marlene Santacecilia (w/enclosures)
Julie M. Donoghue, Esquire (w/enclosures)

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF)	
DELMARVA POWER & LIGHT COMPANY)	
TO ESTABLISH THE RATE FOR THE UTILITY)	
FACILITY RELOCATION CHARGE TO)	
RECOVER COSTS INCURRED IN)	PSC DOCKET NO.
CONNECTION WITH THE RELOCATION OF)	15 -
GAS UTILITY FACILITIES)	
(FILED MAY 29, 2015))	

**APPLICATION OF DELMARVA POWER & LIGHT COMPANY
TO ESTABLISH THE RATE FOR THE UTILITY FACILITY
RELOCATION CHARGE TO RECOVER COSTS
INCURRED IN CONNECTION WITH THE
RELOCATION OF GAS UTILITY FACILITIES**

Delmarva Power & Light Company
Pamela J. Scott
P.O. Box 6066
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(302) 429-3801 (fax)
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Date: May 29, 2015

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TO ESTABLISH THE RATE FOR THE UTILITY FACILITY
RELOCATION CHARGE TO RECOVER COSTS
INCURRED IN CONNECTION WITH THE
RELOCATION OF GAS UTILITY FACILITIES**

Delmarva Power & Light Company (“Delmarva” or the “Company”), by and through its undersigned counsel, hereby files this application (“Application”) with the Public Service Commission of the State of Delaware (the “Commission”) to establish the rate for the Utility Facility Relocation Charge (“UFRC”) to recover costs the Company has incurred to relocate gas utility facilities as a result of projects undertaken by the State Department of Transportation or other governmental agencies. This Application is being submitted pursuant to the provisions of 26 *Del. C.* §315 and corresponding regulations found at 26 *Del. Admin. C.* 1009.

In support of this Application and pursuant to the provisions of 26 *Del. Admin. C.* 1009 §3.0, Delmarva provides the following:

1. Schedule 1 showing the development of the UFRC Rate and supporting documentation (Exhibit A);

2. Schedule 1A showing the capital structure approved in Delmarva's most recent Base Rate Case (Docket No. 12-546) (Exhibit B);
3. Schedule 1B showing the over/under collections from previous UFRC Filings – in this case that amount is \$0.00 as this is Delmarva's first UFRC filing (Exhibit C);
4. Schedule 2 identifying, by Company project number, the relocated unreimbursed utility plant or facilities and plant retired (Exhibit D);
5. Schedule 2A showing the net accumulated depreciation identified by FERC USOA account number (Exhibit E);
6. Schedule 3 containing a clean and red-lined version of the revised tariff pages (Exhibit F); and
7. The Filing Fee of \$100.00.

WHEREFORE, Delmarva requests that, the UFRC rate as proposed become effective July 1, 2015.

Respectfully submitted,

DELMARVA POWER

By: 

Pamela J. Scott
PO Box 6066
Newark, DE 19714-6066
(302) 429-3143
pjscott@pepcoholdings.com

Dated: May 29, 2015

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IN THE MATTER OF THE APPLICATION OF)	
DELMARVA POWER & LIGHT COMPANY)	
TO ESTABLISH THE RATE FOR THE UTILITY)	
FACILITY RELOCATION CHARGE TO)	
RECOVER COSTS INCURRED IN)	PSC DOCKET NO.
CONNECTION WITH THE RELOCATION OF)	15 -
GAS UTILITY FACILITIES)	
(FILED MAY 29, 2015))	

ORDER NO. _____

AND NOW, to-wit, this _____ day of _____, A.D., 2015, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on May 29, 2015, Delmarva Power & Light Company ("Delmarva" or "Company") filed with the Commission the above-captioned Application ("Application") seeking approval to establish the rate for the Utility Facility Relocation Charge ("UFRC") to recover costs incurred in connection with the relocation of gas utility facilities due to projects undertaken by the State Department of Transportation or other governmental agencies; and

WHEREAS, Commission Staff and the Division of the Public Advocate have reviewed the Application and documentation supporting same and have determined that the Application complies with the provisions of 26 *Del. C.* §315 and 26 *Del. Admin. C.* 1009 and recommends that the Application be approved; and

WHEREAS, the Commission, having determined that the Application complies with 26 *Del. C.* §315 and 26 *Del. Admin. C.* 1009 and that the proposed UFRC rate should be permitted to become effective as of July 1, 2015;

**NOW THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. That the Application requesting the establishment of a UFRC rate to recover costs incurred by the Company to relocate gas utility facilities pursuant to 26 *Del. C.* §315 be approved.
2. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

CHAIR

COMMISSIONER

COMMISSIONER

COMMISSIONER

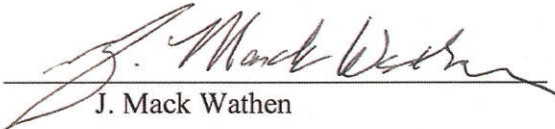
COMMISSIONER

ATTEST:


SECRETARY

STATE OF DELAWARE)
) SS.
COUNTY OF NEW CASTLE)

On this 29th day of May, 2015, personally came before me, the subscriber, a Notarial Officer in and for the State of Delaware, J. Mack Wathen, Vice President of Delmarva Power & Light Company, a Corporation existing under the laws of the State of Delaware, party to this Application, known to me personally to be such, and acknowledged this Application to be his act and deed and the act and deed of such Corporation, that the signature of Vice President is in his own proper handwriting, and that the facts set forth in this Application are true and correct to the best of his knowledge and belief.


J. Mack Wathen

SWORN TO AND SUBSCRIBED before me this 29th day of May, 2015.


Notarial Officer – DE Bar ID 3096

Delmarva Power & Light Company: Natural Gas Utility Facility Relocation Charge (UFRC) Filing
Rate Effective period 7/1/2015 - 12/31/2015

Rate
Effective:
7/1/15

Form 1

Schedule 1: Development of Rate and Supporting Data

	Item	1/1/2013 - 3/31/2015
1	Net Utility Plant Additions (Schedule 1A and Schedule 2)	\$ 6,705,304.62
2	Net Accumulated Depreciation Reserve Charge (Schedule 2A)	\$ 69,629.09
3	Net Change in Rate Base (Line 1 +Line 2)	\$ 6,774,933.71
4	Pre-tax Rate of Return (Schedule 1A)	12.320%
5	Semi-Annual Pre-Tax rate of Return (Line 4/2)	6.160%
6	Semi-Annual Investment Cost Recovery (Line 3*Line 5)	\$ 417,335.92
7	Semi-Annual Depreciation Expense (Schedule 2A)	\$ 139,059.26
8	Semi-Annual UFRC Revenue Requirement (Line 6 +Line 7)	\$ 556,395.18
8a	Total Over-/Undercollection from Previous UFRC (Schedule 1B)	\$ -
9	Total Semi-Annual UFRC Revenue Requirement (Line 8 + Line 8A)	\$ 556,395.18
10	Semi-Annual Projected Distribution Revenues (applicable recovery period)	\$ 31,976,750
11	Projected UFRC Rate Increase (Line 9/Line 10)	1.74%

B

Form 2**Schedule 1A: Capital Structure Approved in Most Recent Base Rate Case**

Capital Structure in PSC Docket No. 12-546					
	Ratios	Cost Rate	Wtd Cost	Revenue Multiplier	Pre-Tax Cost
Cost of Debt	50.78%	4.91%	2.49%	1.69013	4.21%
Cost of Equity	49.22%	9.75%	4.80%	1.69013	8.11%
	100%		7.29%	1.69013	12.32%

Form 3**Schedule 1B: Over/Under Collections From Previous UFRC Filings**

Docket No.	Over/(Under)Collection
12-546	\$0.00
Total	\$0.00

D

Form 4

Schedule 2: Projects Placed into Service and/or Retired

Utility Plant in Service 1/1/2013 - 3/31/2015

Project name	Description	Project No.	UFRC Net Amount (net of CIAC)	Retirements
DMRI: 1000 BLOCK OF BROWN ST.	Install Main	5944461	57,845.31	-
DMRR: 1000 BL. OF BROWN ST.	Retire main	5946278	-	144.70
DMRI: 1000 BLOCK OF WRIGHT ST.	Install Main	5944462	51,199.45	257.22
DMRR: WRIGHT ST. & CEDAR ST.	Retire main	5946223	-	439.46
DMRI: 300 BL. OF N. DUPONT ST.	Install Main	5944464	118,822.81	-
DMRI: MARYLAND AVE BETW. MONROE ST.	Install Main	5944631	896,233.51	-
DMRR: MARYLAND AVE BETWEEN MONROE ST. &	Retire main	5947862	-	9,475.47
DMRR: 800 BLOCK OF MARYLAND AVE	Retire main	5948908	-	181.56
DMRI-W. 11TH	Install Main	5944635	288,039.28	-
DMRR- PASTURE ST. & 11TH ST.	Retire main	5947226	-	1,598.44
DMRI-N. MARKET	Install Main	5944637	119,696.50	-
DMRI-INSTALL 4" PHP MAIN ON NEW CAS	Install Main	5944640	154,035.25	-
DMRR - INTERSECTION OF NEW CASTLE AVE. A	Retire main	5947460	-	16.38
DMRI: N. MARKET ST.	Install Main	5944885	442,808.85	-
DMRR - MARKET ST. CUT & CAPS	Retire main	5947041	-	5,209.18
DMRI: VANDEVER AVE. - UNIT BLOCK	Install Main	5945908	98,551.90	-
DMRR: VANDEVER AVE. FROM CARTER TO SPRUC	Retire main	5945144	-	-
DMRI: BUENA VISTA ST.	Install Main	5945909	42,607.95	-
DMRR: BUENA VISTA ST.	Retire main	5946405	-	231.81
DMRI: LOVERING AVE.	Install Main	5946110	106,450.04	-
DMRI: N. LINCOLN ST. FROM 2ND TO 7T	Install Main	5946542	643,179.45	-
DMRR: N. LINCOLN ST. (2ND-4TH)	Retire main	5947343	-	4,885.02
DMRI: WEST ST. (6TH-9TH)	Install Main	5947161	454,940.59	-
DMRI: WEST ST. (6TH-9TH) & 300 BLOCK W.	Retire main	5948558	-	4,554.31
DMRI - 700 BLK. OF 11TH ST.	Install Main	5947252	212,524.25	524.57
DMRR - 700 BLK. OF W. 11TH ST.	Retire main	5947981	-	195.35
DMRI: BUENA VISTA ST.	Install Main	5947874	18,811.78	-
DMRI: LINCOLN ST. FROM 7TH TO 9TH S	Install Main	5947967	349,997.72	274.26
DMRR: N. LINCOLN ST. (4TH-7TH) & W. 5TH	Retire main	5947578	-	18,746.25
DMRR - N LINCOLN ST FROM 7TH TO 9TH ST	Retire main	5950282	-	15,514.22
DMRI: N. FRANKLIN ST. & SHALLCROSS	Install Main	5948383	115,942.83	-
DMRR - DELAWARE AVE. AND N. FRANKLIN ST.	Retire main	5947167	-	743.65
DMRI: S. SCOTT ST. AND ELM & CHESTN	Install Main	5948979	179,024.70	-
DMRI: S. SCOTT, ELM, & CHESTNUT ST.	Retire main	5949781	-	11,176.05
DMRI: 200 - 600 BLOCK OF N. HARRISO	Install Main	5949107	326,265.33	-
DMRR: 500 BL. OF N. HARRISON ST.	Retire main	5950255	-	8,049.09
GDMRI: CHURCH ST FROM 17TH TO 23RD	Install Main	5949188	143,279.74	-
DMRI: BRANDYWINE HILLS PHASE I	Install Main	5949412	267,153.21	87.50
DMRR: BRANDYWINE HILLS PHASE 1	Retire main	5950944	-	6,252.07
DMRI: S. CONNELL ST. (MAPLE TO CHES	Install Main	5949598	124,399.94	-
DMRI: N. FRANKLIN ST. (19TH - BAYNA	Install Main	5949629	322,266.60	-
DMRI-RELOCATE 4" SHP MAIN ON MURPHY RD	Renew or retire gas trans/distribution mains	5944506	161,956.85	4,558.96
DMRI-RELOCATE THE 6" SHP MAIN ON WASINGTON	Renew or retire gas trans/distribution mains	5945494	499,634.63	29,494.23
DMRI-RELOCATE 4" SHP MAIN ON TALLEY RD	Renew or retire gas trans/distribution mains	5945995	165,413.00	16,633.40
DMRI-OFFSET 8" PHP MAIN ON ROUTE 7	Renew or retire gas trans/distribution mains	5947064	28,246.21	1,086.21
DMRI-RELOCATE 4" PHP MAIN ON CAMPBELL RD	Renew or retire gas trans/distribution mains	5947470	15,941.55	513.38
DMRI-RELOCATE 1-1/4" PHP MAIN AT 608 BAS	Renew or retire gas trans/distribution mains	5947711	36,760.75	1,879.68
DMRI-INSTALL 8" PHP MAIN ON JAMISON	Renew or retire gas trans/distribution mains	5948371	206,206.77	43,716.92

Form 4

Schedule 2: Projects Placed into Service and/or Retired

Utility Plant in Service 1/1/2013 - 3/31/2015				
DMRI-RELOCATE 2" PHP MAIN ON SOUTH & 6th	Renew or retire gas trans/distribution mains	5948625	25,997.77	281.58
DMRI-RELOCATE 2" PHP ON PAPER MILL RD	Renew or retire gas trans/distribution mains	5949265	13,227.89	4,463.96
DMRI-OFFSET 6" PLP MAIN ON SOUTH ST	Renew or retire gas trans/distribution mains	5949270	55,009.41	888.29
DMRI-INSTALL 12" STEEL CASING ON SKYLINE	Renew or retire gas trans/distribution mains	5949475	68,641.80	-
DMRI-OFFSET 2" PHP MAIN ON DAVIDSON LANE	Renew or retire gas trans/distribution mains	5949628	11,537.73	8.56
DSRI-RELOCATE SERICE TO 250 BEAR CHRISTIANA	Renew or retire gas trans/distribution services	5945854	14,614.76	784.32
DSRI-RENEW SERVICES ON WASHINGTON ST	Renew or retire gas trans/distribution services	5945934	76,726.86	15,822.30
Total			6,913,992.97	208,688.35
Net Total			6,705,304.62	

E

Form 5

Schedule 2A: Net Accumulated Depreciation

Net Additions to Plant and Depreciation Expense 1/1/2013 - 3/31/2015				
Account Name	FERC/NARUC Account No.	Amount	Annual Depreciation Rate	Depreciation Amount
<i>Mains-Cast Iron Pipe</i>	3761	\$ (41,450.88)	1.920%	(627.86)
<i>Mains-Steel Pipe</i>	3762	\$ 127,368.62	2.170%	3,169.14
<i>Mains-Plastic Pipe</i>	3763	\$ 6,534,513.31	1.860%	132,966.20
Steel and Copper Pipe	3801	\$ (1,513.70)	3.770%	(47.22)
Plastic Pipe	3802	\$ 86,387.27	3.610%	3,599.00
TOTAL		\$ 6,705,304.62		139,059.26
Semi-Annual Depreciation Expense				139,059.26

Accumulated Depreciation Reserve Change			
Depreciation Expense (Schedule 2A)			(139,059.26)
Retirements (Schedule 2)			208,688.35
Total			69,629.09

F

RIDER "UFRC"

UTILITY FACILITY RELOCATION CHARGE RIDER – continued

E. Filing (Continued)

1. The UFRC rate shall also be reset to zero if, in any quarter, data filed with the Commission by the Company show that the gas utility will earn a rate of return that exceeds the rate of return established in its last general rate filing or by Commission order as described in paragraph 2.a of this Rider, if such was determined subsequent to the final order in the company's last general rate filing. Further, the UFRC rate shall be reinstated when such data show that the established rate of return is not exceeded and will not be exceeded if the UFRC rate is reinstated and reset.

The UFRC is set forth as follows: 1.74%

RIDER "UFRC"

UTILITY FACILITY RELOCATION CHARGE RIDER – continued

E. Filing (Continued)

1. The UFRC rate shall also be reset to zero if, in any quarter, data filed with the Commission by the Company show that the ~~electric~~gas utility will earn a rate of return that exceeds the rate of return established in its last general rate filing or by Commission order as described in paragraph 2.a of this Rider, if such was determined subsequent to the final order in the company's last general rate filing. Further, the UFRC rate shall be reinstated when such data show that the established rate of return is not exceeded and will not be exceeded if the UFRC rate is reinstated and reset.

The UFRC is set forth as follows: ~~0.001~~.74%

Docket No. ~~8465~~ Filed: ~~October 30, 2013~~May 29, 2015
Order No. ~~12-546~~ Effective with Meter Reading On and After ~~November~~July 1, 20132015
~~Filed in Compliance with Order No. 8465 in Docket No. 12-546~~Proposed

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CERTIFICATE OF SERVICE


I, Pamela J. Scott, do hereby certify that DELMARVA POWER & LIGHT COMPANY'S APPLICATION TO ESTABLISH THE RATE FOR THE UTILITY FACILITY RELOCATION CHARGE TO RECOVER COSTS INCURRED IN CONNECTION WITH THE RELOCATION OF GAS UTILITY FACILITIES was caused to be served via Delafile and electronic mail this 29th day of May, 2015, upon the following:

The Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, DE 19904
Attn.: Donna Nickerson

Division of the Public Advocate
State Office Building
820 North French Street, 4th Floor
Wilmington, DE 19801
Attn.: David Bonar

Regina A. Iorii, Esquire
Department of Justice
Carvel State Office Building
820 N. French Street
Wilmington, De 19801

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